

DOE/647/016
ACT 1047/017

WHITE RIVER SHALE OIL CORPORATION

SUITE 500 PRUDENTIAL BUILDING, 115 SOUTH MAIN STREET
SALT LAKE CITY, UTAH 84111
(801) 363-1170

August 20, 1982

Mr. James W. Smith, Jr.
Mined Land Development Coordinator
Utah Division of Oil, Gas and Mining
State Office Building, Room 4241
Salt Lake City, UT 84114

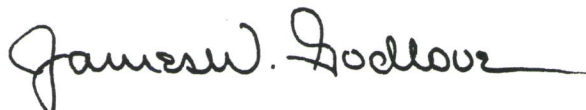
Dear Mr. Smith:

As requested by Mr. Tom Tetting's letter of August 13, 1982, the White River Shale Oil Corporation herein files a \$1.5 million reclamation bond with the Utah Division of Oil, Gas and Mining covering the mine development increment of our Phase I project (see executed Form MR-5, enclosed). It is our understanding this satisfies the State's bonding requirements which are prerequisite to your approval of our Mining Permit Application.

This bond is filed with DOGM on a temporary basis as stated in Mr. Tetting's letter. It is understood that upon completion of a Memorandum of Understanding between DOGM and the Bureau of Land Management concerning reclamation bonding on federal lands, the portion of this bond which duplicates existing surety with BLM for our project will be terminated. It is expected that such agreement will occur within one year of the date of this bond.

Please contact Mr. Ralph A. DeLeonardis or myself if you have any questions concerning this subject.

Sincerely,



James W. Godlove
Director of Environmental Affairs

Enclosure

JWG/mjd

cc: P. A. Rutledge - OSO
T. N. Tetting - DOGM

bcc: R. C. Madsen
C. E. Doney
L. B. Page
J. S. Goff
W. H. Flegenheimer
M. N. Fabrick
M. H. Budin - Sohio

RECEIVED
AUG 23 1982

DIVISION OF
OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING
1588 West North Temple
Salt Lake City, Utah 84116

State of Utah
Natural Resources & Energy
Oil, Gas, & Mining
4241 State Office Building
Salt Lake City, Utah 84114

THE MINED LANDS RECLAMATION ACT

BOND

KNOW ALL MEN BY THESE PRESENCE, that the undersigned White River Shale Oil Corporation* as principal, and INSURANCE COMPANY OF NORTH AMERICA as surety, are held and firmly bound unto the State of Utah, Division of Oil, Gas, and Mining, in the penal sum of One Million Five Hundred ^{Thousand} dollars (\$1,500,000.00) for the payment of which sum, will and truly be made, we hereby jointly and severally bind ourselves, our heirs, administrators, executors, successors, and assigns.

THE CONDITION OF THE ABOVE OBLIGATION IS SUCH that whereas the above named principal did on the 3rd day of May 1982, file with the Division of Oil, Gas, and Mining a "Notice of Intention to Commence Mining Operations" and a "Mining and Reclamation Plan", to secure authorization to engage in mining operations in the State of Utah, under the terms and provisions of the Mined Land Reclamation Act; that in said Notice the principal estimated that 110 acres of land will be affected by mining. Said land is described as follows in Exhibit "A" attached hereto. (Description and bond apply only to Phase I - Increment 1 plans only.)

NOW, if the said principal shall satisfactorily reclaim the above mentioned lands affected by mining by said principal in accordance with the Mining and Reclamation Plan and shall faithfully perform all requirements of the Mined Land Reclamation Act, and comply with the Rules and Regulations adopted in accordance therewith, then this obligation shall be void; otherwise it shall remain in full force and effect until the reclamation is completed as outlined in the approved Mining and Reclamation Plan.

If the said approved plan provides for reclamation of the land affected on a piecemeal or cyclic basis, and said land is reclaimed in accordance with such plan, then this bond may be reduced periodically.

In the converse, if the said plan provides for a gradual increase in the area of the land affected or increased reclamation work, then this bond may accordingly be increased with the written approval of the surety company.

NOTE: Where one signs by virtue of Power of Attorney for a surety company, such Power of Attorney must be filed with this bond. If the principal is a corporation, the bond shall be executed by its duly authorized officers with the seal of the corporation affixed.

White River Shale Oil Corporation
Principal (Company)

Date: August 20, 1982

By: R. N. Pratt President
Company Official - position
R.N. Pratt

INSURANCE COMPANY OF NORTH AMERICA
Surety (Company)

Date: August 19, 1982

By: M. H. Budin Attorney-in-Fact
Official of Surety - Position
M. H. Budin

*as agent representative of Phillips Petroleum Company and Sunoco Energy Development Co., lessees of Federal Oil Shale Lease U-25918 (Tract Ua), and Sohio Shale Oil Company, lessee of Federal Oil Shale Lease U-26194 (Tract Ub),

POWER OF ATTORNEY
INSURANCE COMPANY OF NORTH AMERICA
PHILADELPHIA, PA.

Know all men by these presents: That INSURANCE COMPANY OF NORTH AMERICA, a corporation of the Commonwealth of Pennsylvania, having its principal office in the City of Philadelphia, Pennsylvania, pursuant to the following Resolution adopted by the Board of Directors of the said Company on May 28, 1975, to wit:

"RESOLVED, pursuant to Articles 3.6 and 5.1 of the By-Laws, the following Rules shall govern the execution for the Company of bonds, undertakings, recognizances, contracts and other writings in the nature thereof:

(1) That the President, or any Vice-President, Assistant Vice-President, Resident Vice-President or Attorney-in-Fact, may execute for and in behalf of the Company any and all bonds, undertakings, recognizances, contracts and other writings in the nature thereof, the same to be attested when necessary by the Secretary, an Assistant Secretary or a Resident Assistant Secretary and the seal of the Company affixed thereto; and that the President or any Vice-President may appoint and authorize Resident Vice-Presidents, Resident Assistant Secretaries and Attorneys-in-Fact to so execute or attest to the execution of all such writings on behalf of the Company and to affix the seal of the Company thereto.

(2) Any such writing executed in accordance with these Rules shall be as binding upon the Company in any case as though signed by the President and attested by the Secretary.

(3) The signature of the President or a Vice-President and the seal of the Company may be affixed by facsimile on any power of attorney granted pursuant to this Resolution, and the signature of a certifying officer and the seal of the Company may be affixed by facsimile to any certificate of any such power, and any such power or certificate bearing such facsimile signature and seal shall be valid and binding on the Company.

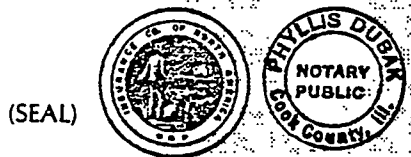
(4) Such Resident Officers and Attorneys-in-Fact shall have authority to certify or verify copies of this Resolution, the By-Laws of the Company, and any affidavit or record of the Company necessary to the discharge of their duties.

(5) The passage of this Resolution does not revoke any earlier authority granted by Resolution of the Board of Directors on June 9, 1953."

does hereby nominate, constitute and appoint **T.E. DOUGLASS, T.E. TETLAK, A.E. DOLLER, R.E. PARMENTER, M.H. BUDIN and V.K. SCHLEIMER**, all of the City of Cleveland, State of Ohio

, each individually if there be more than one named, its true and lawful attorney-in-fact, to make, execute, seal and deliver on its behalf, and as its act and deed any and all bonds, undertakings, recognizances, contracts and other writings in the nature thereof. And the execution of such writings in pursuance of these presents, shall be as binding upon said Company, as fully and amply as if they had been duly executed and acknowledged by the regularly elected officers of the Company at its principal office.

IN WITNESS WHEREOF, the said **MICHAEL B. FODOR**, Vice-President, has hereunto subscribed his name and affixed the corporate seal of the said **INSURANCE COMPANY OF NORTH AMERICA** this 9th day of June, 1982



STATE OF
COUNTY OF

ILLINOIS
COOK

On this

9th

day of

June

A. D. 1982

before me, a Notary

Public of the

STATE OF ILLINOIS

in and for the County of

COOK

came

MICHAEL B. FODOR

INSURANCE COMPANY OF NORTH AMERICA

MICHAEL B. FODOR

Vice-President

COMPANY OF NORTH AMERICA to me personally known to be the individual and officer who executed the preceding instrument, and he acknowledged that he executed the same; that the seal affixed to the preceding instrument is the corporate seal of said Company; that the said corporate seal and his signature were duly affixed by the authority and direction of the said corporation, and that Resolution, adopted by the Board of Directors of said Company, referred to in the preceding instrument, is now in force.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal at the City of **CHICAGO** the day and year first above written.

PHYLLIS DUBAK

Notary Public

My commission expires **2/6/85**

I, the undersigned, **Assistant Secretary** of **INSURANCE COMPANY OF NORTH AMERICA**, do hereby certify that the original **POWER OF ATTORNEY**, of which the foregoing is a full, true and correct copy, is in full force and effect.

In witness whereof, I have hereunto subscribed my name as **Assistant Secretary**, and affixed the corporate seal of the Corporation, this 19th day of August, 1982

EXHIBIT A

White River Shale Oil Corporation
Federal Prototype Oil Shale Tracts Ua and Ub
Description of Disturbed Areas
(Phase I - Increment 1 Only)

	Pre- * 1985
Mining Area (Encompasses service and air intake shafts; decline portal; decline exhaust shaft; waste rock areas; mine service building; raw shale stockpile; change house; water treatment plant; topsoil stockpile; substation; sewage treatment plant; temporary lube and fuel storage; and the road interconnecting shafts, building and portal and temporary explosives magazine area.)	44 acres
Lube and Fuel Storage	0 acres
Water Well Access Road (Encompasses road, truck loading station and well pads.)	8 acres
Runoff Retention Pond (Encompasses dam, temporary dam construction and laydown area, and pond.)	21 acres
Explosive Magazine (Encompasses access road and magazine area.)	0 acres
Mine Access Road (Encompasses road from tract access road to mine area. Includes temporary and permanent roads.)	10 acres
Exhaust Shaft (Encompasses access road and shaft area.)	0 acres
Bachelor Camp and RV Camp	20 acres
Phase I Spent Shale Area (Encompasses Phase I spent shale dam and pond, experimental pile, and main pile.)	0 acres
Shale Fines Area	0 acres
Solid Waste Disposal Site and Road	7 acres
Processing Area	0 acres
TOTAL	110 acres

*refer to Figure 2, Overall Site Plan (revised August 16, 1982) in the Notice of Intention to Commence Mining.